toward abstract speculation, are seen in his "important practical conclusion" (page 578), that federal reserve banks ought to be allowed to rediscount stock exchange paper. It is difficult to follow Dr. Anderson through the peculiarly twisted reasoning which has led him to a conclusion directly at variance with the judgment of both theoretical and practical men regarding a great question of administration and management in banking. Further continuing the same line of thought, there is evolved the remarkable theory that no bank reserves are needed. This, indeed, could scarcely be believed, were it not expressly stated by the author in so many words (page 543), where he says: "As we approach static conditions, we need less and less gold reserve behind bank demand liabilities. The static law of bank reserves is that none are needed." This singular "law" should be placed side by side not only with the view that rediscount institutions should take up stock exchange paper, but also with other vagaries of thought which appear from time to time throughout the work.

It is no reflection upon Mr. Anderson or his work to say that the subject with which he deals is one of great breadth and difficulty, and that it has not yet been adequately presented.

H. PARKER WILLIS.

Washington, D. C.

ATWOOD, ALBERT W. *How to Get Ahead.* Pp. 277. Price, $1.25. Indianapolis: The Bobbs-Merrill Company, 1917.

Mr. Atwood has admirably succeeded in his purpose: to write a book "for young men and women of moderate earning capacity which will help them save and invest money."

The subject is approached with a sound knowledge of the principles involved, and Mr. Atwood, in his capacity as Lecturer on Finance at New York University, has come personally in contact with the group to which he writes. Intensely practical, the book contains various helpful suggestions as to budgeting, easy-term investments, etc. The names used to designate the different types of bonds, stocks, mortgages and insurance policies are carefully differentiated and explained.

"There is no great secret about earning money," says Mr. Atwood, "but it is a hard task to spend money judiciously after having earned it."

Perhaps because of the effort to be absolutely clear, the author gives way to somewhat needless repetition. It has neither literary merit nor new ideas; it simply states in clear, readable English the "hows" of saving and investment.

E. H.

BANCROFT, HUGH. *Inheritance Taxes for Investors.* (Second edition, revised.) Pp. 133. Price, $1.00. Boston: Houghton, Mifflin Company, 1917.

The author summarizes inheritance tax legislation passed in the United States and Canada down to January 1, 1917. Numerous tables show the state and national tax rates and brief comment is made upon the equity of the various laws. Considerable attention is given to state taxation of securities issued by domestic

corporations but belonging to the estates of non-resident decedents. The publication serves as a convenient handbook both to investors and to students of public finance. F. T. S.

COLLVER, CLINTON. *How to Analyze Industrial Securities.* Pp. 204. Price, $2.00. New York: Moody's Investors Service, 1917.

Investment banking houses make a rough classification of businesses for the purposes of financing which divides private corporations into railroad, public service and industrial. All corporations which are not railroad or public service are classed as industrials. Even mining corporations fall into this classification. Obviously, however, the wide variety of businesses called industrial makes the formulation of principles for analysis of industrial securities a more difficult matter than for securities which are based on a single kind of business, as that of the railroads. Public service corporations form a compact group of business resting on the same base and with many more points of likeness than of difference above their entirely common base. Besides the similarity of the businesses, the supervising bodies and the managers by agreement have come much nearer a uniform and complete accounting and publicity of that accounting than the so-called industrials. Industrial securities are for the most part later comers into the general investment market than either of the other classes. All these reasons account for the fact that so little has been done in any attempt to systematize the study of industrial securities.

Mr. Collver's book is a pioneer work and on that account much is to be forgiven it in the way of sketchiness. The student of securities owes the writer much for what he has accomplished. The most useful parts of the book are the brief chapters under the general heading of Business Factors on Fluctuations in Demand, Diversification (of product), Integration—Sources of Supplies, Standardization and Location, and on Competition, and certain suggestions on the study of the balance-sheet and income account.

HASTINGS LYON.

New York City.

ESCHER, FRANKLIN T. *Foreign Exchange Explained.* Pp. xii, 219. Price, $1.25. New York: The Macmillan Company, 1917.

Students of banking and foreign exchange will be inclined to consider this volume merely a revision and expansion of Mr. Escher's *Elements of Foreign Exchange.* This supposition is incorrect, as the book has been entirely rewritten. The order of the material has been changed, there are some condensations and numerous additions.

The treatment is still the most satisfactory introduction to the subject that we have in the United States. The author writes clearly and simply. Some topics, however, could have been covered more fully to the advantage of both academic and practical students of the subject. One of these is a more complete treatment of the exchanges during the war. Some aspects of this are undoubtedly of temporary rather than of permanent interest but others are more significant. Probably the most important of these is the growing extent to which governmental